

# **EXHIBIT 3**

**FRAMEWORK FOR COOPERATION BETWEEN  
THE UNITED NATIONS RELIEF AND WORKS AGENCY FOR  
PALESTINE REFUGEES IN THE NEAR EAST AND  
THE UNITED STATES OF AMERICA  
2023-2024**

**I. Introduction:**

This Framework for Cooperation (the “Framework”) sets forth understandings between the United Nations Relief and Works Agency for Palestine Refugees in the Near East (hereinafter referred to as “UNRWA” or “the Agency”) and the United States of America (hereinafter referred to as “the United States” or “U.S.”). Between 2005 and 2018, the United States and UNRWA (the “Participants”) worked in partnership through Frameworks for Cooperation to provide humanitarian assistance, human development, and protection to UNRWA’s program participants in accordance with UNRWA’s mandate as approved by the United Nations General Assembly. The Framework for Cooperation was restarted in 2021. This document reflects the ongoing and renewed relationship between the two Participants, focusing on shared goals and priorities; continued support; monitoring and reporting; and communication and partnership.

It is understood that this document, in its entirety, including the attached Annex, constitutes policy commitments by UNRWA and the United States for calendar years 2023 and 2024. This Framework does not constitute an international agreement and does not create any legally binding obligations between the Participants under either international or domestic laws.

**II. Shared Goals and Priorities**

**The United States and UNRWA are jointly committed to addressing the needs of Palestinian refugees through effective provision of humanitarian assistance and protection, and to promoting the enhanced human development potential of Palestinian refugees.**

- The United States and UNRWA intend to work together to provide efficient and effective education, primary health care, relief and social services, and other humanitarian assistance to persons falling under

UNRWA's mandate, as well as promoting respect for human rights, improving living conditions, and supporting economic empowerment and livelihoods of Palestinian refugees, as outlined in UNRWA's 2023-2028 Strategic Plan.

- The United States and UNRWA intend to cooperate to support continued provision of emergency assistance to Palestinian refugees.
- The United States and UNRWA intend to expand its integration of enrichment materials on human rights, conflict resolution, and tolerance into UNRWA's classrooms.
- The United States and UNRWA intend to expand the use and scope of UNRWA's Digital Learning Platform (<https://keeplearning.unrwa.org>) to enhance teaching and learning in line with global best practices to increase participation, empowerment, equity, inclusion, accountability and transparency, in line with UNRWA's Information Technology for Education Strategy.
- The United States and UNRWA intend to further enhance policies, training, and procedures to respond to protection needs, including prevention of and response to gender-based violence.
  - UNRWA will update and disseminate its standard operating procedures for gender-based violence case referrals by Q3 2023.
  - UNRWA will aim to enhance and harmonize data collection methodologies and approaches on disability, age, and gender to ensure better risk identification across programs.
  - UNRWA will develop and disseminate an Agency-wide child safeguarding policy based on consultations with all departments, programs and communities.
- Consistent with the 2023-2028 Strategic Plan objectives, the United States and UNRWA will jointly strategize to ensure sustainability of protection activities.
- UNRWA will continue to partner with other international and local protection actors in each of its fields of operation and actively participate in protection-related coordination structures.

**Conformance with conditions on U.S. contributions pursuant to section 301(c) of the Foreign Assistance Act of 1961 (hereinafter referred to as "section 301(c)'), and conducting operations consistent with UN humanitarian principles of neutrality, humanity, independence, and**

**impartiality, remain shared commitments.** The United States and UNRWA share concerns about the threat of terrorism, including within the context of the United Nations' firm commitment to counter terrorism, and conditions under section 301(c) on U.S. contributions for UNRWA. Section 301(c) provides that, "No contributions by the United States shall be made to [UNRWA] except on the condition that [UNRWA] take all possible measures to assure that no part of the United States contribution shall be used to furnish assistance to any refugee who is receiving military training as a member of the so-called Palestine Liberation Army or any other guerilla-type organization or who has engaged in any act of terrorism."

Like all UN agencies, UNRWA and its staff cannot take sides in hostilities or engage in controversies of a political, racial, religious, or ideological nature. The Agency utilizes a Neutrality Framework to clearly communicate the relevant standards, practices, and procedures required to ensure a consistent and coherent Agency-wide approach to neutrality. The Framework details the neutrality requirements of: (a) staff members and personnel including guidelines on the use of social media; (b) UNRWA installations; (c) UNRWA assets; and (d) other aspects of UNRWA operations such as donors and partners. UNRWA commits to communicate any serious neutrality violations to the United States in a timely manner and to address any such violations in line with the requirements of its Neutrality Framework.

Under the Department of State's Federal Assistance Directive, the Department of State's Bureau of Population, Refugees, and Migration (PRM) issues voluntary contributions to international organizations by issuing a contribution letter, accompanied by voluntary contribution terms and conditions. The language in PRM's contribution letters for UNRWA will continue to include the following:

"The Department of State seeks to ensure that none of its funds are used, directly or indirectly, to provide support to individuals or entities associated with terrorism. Consistent with numerous United Nations resolutions, including Security Council Resolutions 1269 (1999), 1368 (2001), and 1373 (2001) and General Assembly resolution 60/288 of 8 September 2006, both the Department of State and UNRWA are firmly committed to the international fight against terrorism, and, in particular, against the financing of

terrorism. In furtherance of this international fight against terrorism, including terrorism financing, consistent with section 301(c) of the Foreign Assistance Act of 1961, as amended, and in accordance with the Framework for Cooperation between UNRWA and the Government of the United States of America for 2023-2024, it is fully understood and agreed that by accepting this contribution, UNRWA certifies that it is taking all possible measures to ensure that no part of the United States contribution is being used to furnish assistance to any refugee who is receiving military training as a member of the so-called Palestinian Liberation Army, or any guerilla-type organization or anyone who has engaged in any act of terrorism.”

UNRWA commits to take all possible measures to ensure funding provided by the United States to UNRWA does not provide assistance to, or otherwise support, terrorists or terrorist organizations. Further, the United States and UNRWA condemn without reservation all manifestations of religious or racial intolerance, incitement to violence, harassment or violence against persons or communities based on ethnic origin or religious belief, including anti-Semitism, Islamophobia, anti-Catholicism, anti-Arabism, or other forms of discrimination or racism against Palestinians, Israelis or other individuals or communities based on ethnic origin or religious belief.

Noting that UNRWA prepares an annual operational report, UNRWA is expected to provide an additional semi-annual report to PRM on activities to inform evaluation of conformance with conditions on U.S. contributions to UNRWA, based on the attached Annex to this Framework. Priority activities for 2023-2024 to facilitate conformance with conditions on U.S. contributions to UNRWA are expected to include, but are not to be limited to:

- Further strengthening Agency oversight of its application of humanitarian principles and protection principles, which includes committing the resources necessary to maintain the neutrality of UNRWA installations and staff and to regularly monitor and report on the protection of program participants. This includes dedicated U.S. funding to strengthen, promote, and increase UNRWA’s neutrality work, including by conducting quarterly integrated assessments per installation each year, and to align the Agency’s response with humanitarian principles and protection principles.

- Improving the Agency's capacity to review local textbooks and education materials it uses to identify and take measures to address any content contrary to UN principles in educational materials. In line with UNRWA's Department of Internal Oversight Services (DIOS) audit findings, this includes:
  - Strengthening the Agency's capacity and processes to continue promoting students' critical and higher thinking skills through recognizing and better understanding various perspectives within a wide range of issues, in line with UN humanitarian principles, values, and UNESCO standards. This includes media and information literacy.
  - Strengthening the Agency's capacity to monitor the implementation and assess the effectiveness of the Critical Thinking Approach (CTA) in addressing specific issues of concern in the textbooks in the classroom and, in addition, the further integration of human rights, conflict-resolution, and tolerance (HRCRT) education in each of the five fields of operations. To this end, UNRWA HQ Education will develop a monitoring mechanism with specific milestones and provide further training and capacity-building to UNRWA Field offices on the implementation of the CTA at the school level, including to teachers in UNRWA's fields of operation.
  - Strengthening the capacity of the UNRWA HQ Education curriculum team, including to review educational materials, through the use of field-based education specialists.
  - Establishing clear timelines and monitoring mechanisms to verify the timely completion and dissemination of UNRWA's review of textbooks and educational materials and related CTA documents in line with the start of the academic year across all field offices.
- Conducting, by the end of 2023, independent evaluations of UNRWA's Education Reform Initiative and the UNRWA Human Rights, Conflict Resolution, and Tolerance program, to be shared with Advisory Commission members upon request.
- Continued enhancement and implementation of its training of all UNRWA staff on humanitarian principles, including the principle of neutrality.

- Continuing to ensure clear, consistent, fair, and prompt administrative or disciplinary action for staff violations of UNRWA's Neutrality Framework, consistent with appropriate procedural safeguards and the Agency's regulatory framework. This should include a prioritization of transparency regarding processes for UNRWA investigations and disciplinary actions, recognizing security, operational, and due process considerations.
- Take suitable action with respect to benefits to UNRWA program participants determined to have engaged in inappropriate conduct, consistent with appropriate procedural safeguards and the Agency's regulatory framework.

**The United States and UNRWA expect to continue to work in partnership to promote UNRWA's financial stability, both through efforts to control and contain costs, as well as to mobilize additional resources.** Over the last eight years, UNRWA reform initiatives have resulted in increased efficiencies, and despite a reduced budget, improved management capacity, increased program quality and efficiency, and increased financial sustainability and accountability of the Agency. Consistent with the priorities outlined in the 2023-2028 Strategic Plan, implementation of UNRWA's reform initiatives is expected to continue in 2023-2024. The Agency is sharply focused on efforts to expand the donor base and to develop partnerships with international financial institutions. The United States intends to continue its support to the Agency as it furthers these efforts in 2023-2024.

The United States and UNRWA assess that **priority reform and resource mobilization activities** for the Agency over the next two years may include, but are not limited to, the following activities, in which the United States intends to support UNRWA, as appropriate:

- Completing, in consultation with the Advisory Commission, the 2023-2025 Resource Mobilization and Outreach Strategy by Q2 2023.
- Increasing the share of UNRWA's funding from diversified sources, including emerging donors and private fundraising to 8 percent by 2024.
- Continuing outreach to expand the base of donors who contribute to UNRWA, with a focus on securing sufficient, predictable, and sustained voluntary contributions, and early fulfillment of pledges. This includes

- outreach to emerging donors and restoring and expanding support levels from regional partners.
- Continuing to consolidate programmatic reforms in the health, education, and relief and social services sectors, and analyze efficiencies gained through reforms.
    - Consistent with the 2023-2028 Strategic Plan objectives, expanding the Hospitalization Management System from Lebanon to other fields of operation by the end of Q2 2023 to better monitor and analyze hospitalization data and take action where necessary to contain hospitalization expenditure.
  - Finalizing and issuing a comprehensive enterprise risk management policy and associated risk management system enhancements that support establishment of defined risk management processes and reporting systems that have good organizational coverage and are used in operational decision-making.
  - Managing the Agency's workforce to improve the quality and professionalism of staff, eliminate staff redundancies, and as resources permit, set compensation for staff that is adequate to occupational employment markets in comparable sectors and positions, commensurate with UNRWA's pay policy.
  - Continuing to refine targeting and prioritization within UNRWA's budgeting process with regard to both its Program Budget and Emergency Appeals.
  - Continuing to provide regular, timely, and detailed briefings on financial goals, shortfalls, and decisions.

**UNRWA intends to continue to strengthen the Agency's internal governance and oversight processes.** The United States welcomes UNRWA initiatives on management reform, including actions that strengthen oversight and accountability, enhance budgetary and financial transparency, promote inclusion in management, and foster a strong organizational culture. UNRWA and the United States affirm the importance of constantly improving risk management, including increasing coordination across departments and programs on contextual, institutional, programmatic, fiduciary, professional risk management, and accountability to its persons of concern. In addition, the United States encourages UNRWA to:

- Continue to facilitate donor oversight of the Agency through regular bilateral and multilateral discussions between core donors and UNRWA leadership and through at least quarterly UNRWA reporting to core donors, including integrity updates and work by the Department of Internal Oversight Services, to ensure UNRWA's management is effectively delivering its mandate with transparency and accountability, while preserving UNRWA's agility and operational response capacity.
- Continue to strengthen UNRWA's management:
  - Undertake all actions required to establish in 2023 the position of Deputy Commissioner-General for Operational Support, and complete recruitment as soon as possible after establishment of the position.
  - Continue to upload budgets and financial information quarterly on the International Aid Transparency Initiative website.
  - Develop, by the end of Quarter 3 of 2024, a new 'People Strategy', aligned with UNRWA's Strategic Plan 2023-2028, to create a roadmap for strengthening the Agency's human resources functions, streamline operations and improve management accountability over the workforce.
  - Implement a Human Resources Action Plan on Gender Parity (2023-2024) to further strengthen UNRWA's commitment to achieving gender parity at all levels of staffing.
  - In line with the UN Secretary-General's Data Strategy, UNRWA will continue implementation of dashboards to support data management and analysis in areas such as staffing, posts, gender parity, management of daily paid workers, mandatory training, performance management and disciplinary measures.
- Maintain effective staff policies, procedures and practices, that respect the full diversity of UNRWA's staff profile and the communities it serves through, inter alia meeting UN system-wide objectives in the pursuit of gender parity in senior management functions, maintaining HR processes that promote equity and inclusion, and enhancing delegation of authorities and related accountabilities across the Agency to empower senior managers and streamline business processes.

- Continue to advance the Secretary-General's systemwide Strategy on Gender Parity, including via cooperation with other UN agencies on the UN Mutual Recognition of Rosters. UNRWA will also incorporate findings and recommendations from a joint gender evaluation and audit into both the Gender Equality Strategy and its accompanying Strategic Implementation Framework to ensure implementation of evidence-based recommendations. The Women's Advisory Forum will play a key role in advising the Commissioner-General on policy changes and initiatives that will contribute to a working environment and culture that respects and promotes diversity and inclusion, and UNRWA will implement appropriate recommendations of the Women's Advisory Forum. UNRWA agrees to provide regular updates on its progress on these initiatives.
- Continue to strengthen DIOS, including through robust resourcing and staffing, to reaffirm operational independence of the functions and improve effectiveness, transparency, and accountability within the Agency.
  - Add experienced evaluation and Sexual Exploitation, Abuse, and Harassment investigation capacity in 2023 to continue to improve Agency oversight functions.
- Implement appropriate recommendations from third party experts' studies of the organizational structures across HQ, the Fields and Programs to streamline, modernize and simplify operational and programmatic management and internal governance structures and business processes, including regarding the most effective modus operandi for managing an organization of UNRWA's size and mandate, and share progress with Advisory Commission members upon request.
- Continue to disclose to the UN General Marketplace, through the UN Office for Project Services (UNOPS) all of UNRWA's individual contract awards, including those below the \$30,000 threshold. This information is expected to be reflected in the Annual Statistical Report (ASR) published on the UN General Marketplace website (UNGM.org). The data concerning all UNRWA awards above \$10,000 are already made available by UNOPS on UNGM.org.
- Continue efforts to improve the safety and security of UNRWA's personnel, particularly those who do not fall under the purview of the UN Department of Safety and Security.

- Continue to uphold UNRWA's Code of Conduct and policy on Protection Against Sexual Exploitation and Abuse (PSEA) in line with the 2003 UN Secretary General's Bulletin.
  - UNRWA updates its PSEA policy by Q2 2023 and develops a corresponding action plan, including appropriate systems to train staff and investigative capacity to address allegations of staff misconduct, including PSEA.
- Build upon progress to date towards UNRWA's Grand Bargain commitments, particularly regarding transparency in the costing of humanitarian and reconstruction rehabilitation programs and more systematic accountability to affected populations, including by identifying by Q1 2024 policy considerations and options for suitable mechanisms that support collective and participatory approaches that inform and listen to communities, address feedback and lead to corrective action.
- Continue to implement recommendations from internal UNRWA audits and evaluations and the UN Board of Auditors' reports, as well as improve tracking and transparency with regard to implementation of recommendations.
- Implement digital identity verification of Palestinian refugees in all five fields of operation by the end of 2024, where security conditions allow and with appropriate data protection safeguards in place, and using an evaluation of the effectiveness, benefits, risks, and challenges of the initial phases of the roll-out in Lebanon to inform further roll-out.
- In line with the UNRWA Environmental Sustainability Policy adopted in 2022, UNRWA develops an Environmental Sustainability Implementation Plan, by the end of 2023, which identifies key practices and actions that allow for greater environmental sustainability of UNRWA Operations, including possible associated reduction of long-term overhead costs.

### **III. Continued Support**

The United States is committed to continuing its partnership with UNRWA to assist persons falling under the mandate of UNRWA. The United States acknowledges the important role the Agency plays in maintaining regional stability.

Recognizing the need for early, sufficient, predictable and sustained funding, the United States intends to strive to provide flexible and early contributions to UNRWA for the Agency's Program Budget and Emergency Appeals. The United States is committed to providing, subject to the availability of funds, a fair share contribution to UNRWA's annual Program Budget, Emergency Appeal (EA) for West Bank/Gaza, and for Syria, Lebanon, and Jordan, based on past practice and consistent with the Good Humanitarian Donorship principles of providing predictable and flexible funding. In addition, subject to the availability of funds, the United States intends to continue support for selected special projects mutually identified by the United States and UNRWA, including continued support for implementation of UNRWA's protection mandate, its neutrality, as well as the Agency's human rights, conflict resolution, and tolerance education curriculum. UNRWA understands that U.S. support depends on UNRWA's demonstration of needs and results.

#### **IV. Monitoring and Reporting**

The United States commends UNRWA for the use of the Annual Operational Report (AOR) as a performance tool and appreciates the ongoing consultative implementation of this initiative to ensure organizational-level reporting on performance is consistent with donors' programmatic reporting requirements. Reflecting the principles of Good Humanitarian Donorship, the standardized reporting included in the AOR should satisfy the majority of U.S. reporting requirements for U.S. contributions to the Program Budget for 2023-2024.

UNRWA intends to continue to provide semi-annual section 301(c) reporting to PRM, as discussed in Section II of this Framework. UNRWA will also provide semi-annual fraud and losses reporting, including cases of fraud, presumptive fraud, and other cases with potential loss such as theft.

UNRWA intends to continue to provide reporting separate from the AOR on the following appeals and special projects, though the reports may reflect a harmonized approach to donors' reporting requirements where applicable:

- Semi-annual reports on UNRWA's Flash Appeals receiving U.S. funding.
- Semi-annual (or, as called for by contribution language, quarterly) reports on U.S.-funded special projects, if applicable.

- Semi-annual reports on visibility efforts, per the U.S.-UNRWA Visibility Plan finalized on May 31, 2023.
- Quarterly (or, as called for by contribution language, monthly) expenditure reports on all U.S. contributions to Emergency and/or Flash Appeals and construction projects.
- Quarterly reporting on aid diversion in Syria and Gaza, per their enhanced monitoring plan, to be renewed by August 1, 2023.
- An annual report demonstrating UNRWA's effective implementation and enforcement of whistleblower protection policies and procedures.

### **Communication and Partnership**

In pursuit of meeting the goals and achieving the results articulated in this Framework, the United States and UNRWA remain committed to continuous information sharing and cooperation at all levels. The United States has a close working relationship with UNRWA and is in frequent contact with the Agency through UNRWA's Representative Office in Washington, D.C., UNRWA Headquarters, UNRWA's office in New York, and in the Agency's fields of operation. UNRWA intends to work closely with the PRM Refugee Coordinator's Office in Jerusalem, PRM Program Officers in Washington, D.C., and other U.S. Embassy and Consulate staff in its fields of operation to inform the United States of developments, challenges, and achievements throughout the year.

The United States monitors UNRWA on an ongoing basis and in a number of ways, including by actively participating in the meetings of the Advisory Commission, regular meetings of the Commission's Subcommittees, regular meetings of the Harmonized Results Working Group, and other *ad hoc* working groups; analyzing UNRWA's regular reports and updates; undertaking field visits by PRM Refugee Coordinators, Refugee Specialists, and Program Officers; and attending briefings by UNRWA staff.

UNRWA's Chief of Protection serves as the neutrality management focal point for the Agency, liaising with relevant Department of State officials on all relevant neutrality-related issues. Through regular reporting and dialogue, including on policy and program issues identified in this Framework, PRM intends to continue to monitor closely the Agency's work, and also aims to

ensure UNRWA is strengthening its capacity to monitor its own programs. The United States will continue to share with UNRWA the results of its monitoring and analysis and welcomes feedback from UNRWA in response to U.S. findings and recommendations.

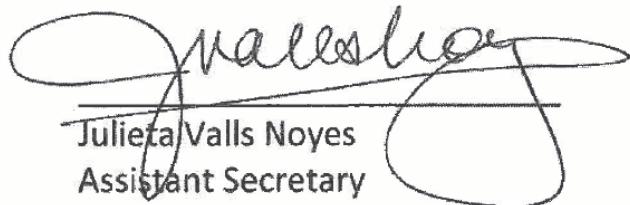
PRM and UNRWA intend to hold at least annual consultations on the shared objectives identified in this Framework.

#### **V. Conclusion**

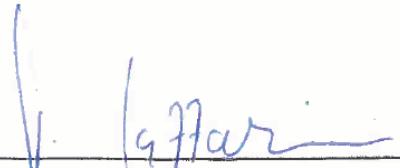
The United States and UNRWA confirm their commitment to remain strong partners in their efforts to address the needs of Palestinian refugees within UNRWA's five fields of operation. The United States and UNRWA intend to consult regularly on policy and program issues identified in this Framework. This Framework is intended to remain in effect until December 31, 2024.

Nothing in or related to this Framework is intended to be deemed a waiver, express or implied, of any of the privileges and immunities accorded to UNRWA under international law.

Signed on May 30, 2023, in the English language.



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Annex: Activities Related to Conformance with U.S. Funding Conditions Pursuant to Section 301(c) of the Foreign Assistance Act of 1961